



# City of Saginaw

## City of Saginaw

**Meeting Date:** 05/19/2015

**Staff Contact:** Nan Stanford  
City Manager

**Agenda Item:** 4d  
(CC-0515-04)

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**SUBJECT:** Action regarding Resolution No. 2015-06, Continued Participation with Atmos Cities Steering Committee

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**BACKGROUND/DISCUSSION:**

Resolution No. 2015-06 approves the 2015 membership assessment to continue participation with the Atmos Cities Steering Committee. There are 165 member cities participating in this committee. Atmos Energy Corporation is a monopoly provider of natural gas and because of that, regulation of the rates that it charges its customers is the only way that cities can ensure that natural gas rates are fair. Many activities of the committee involve rate cases but it also represents the cities on other items pertaining to Atmos.

**FINANCIAL IMPACT**

The financial impact will be the \$1,062.85 (\$0.05 per capita). The funds for this expenditure are budgeted in the General Administrative Office Budget, Legal and Special Services and Audit Account 01-6650-02.

**RECOMMENDATION:**

Staff recommends approval of Resolution No. 2015-06, authorizing continued participation with the Atmos Steering Committee.

**Attachments**

Proposed Resolution and Related Information

RESOLUTION NO. 2015-06

A RESOLUTION AUTHORIZING CONTINUED PARTICIPATION WITH THE ATMOS CITIES STEERING COMMITTEE; AND AUTHORIZING THE PAYMENT OF FIVE CENTS PER CAPITA TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION

- WHEREAS, the City of Saginaw is a regulatory authority under the Gas Utility Regulatory Act (GURA) and has exclusive original jurisdiction over the rates and services of Atmos Energy Corporation, Mid-Tex Division (Atmos) within the municipal boundaries of the city; and
- WHEREAS, the Atmos Cities Steering Committee (ACSC) has historically intervened in Atmos rate proceedings and gas utility related rulemakings to protect the interests of municipalities and gas customers residing within municipal boundaries; and
- WHEREAS, ACSC is participating in Railroad Commission dockets and projects, as well as court proceedings and legislative activities, affecting gas utility rates; and
- WHEREAS, the City is a member of ACSC; and
- WHEREAS, in order for ACSC to continue its participation in these activities which affects the provision of gas utility service and the rates to be charged, it must assess its members for such costs; NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAGINAW, TEXAS:

I.

That the City is authorized to continue its membership with the Atmos Cities Steering Committee to protect the interests of the City of Saginaw and protect the interests of the customers of Atmos Energy Corporation, Mid-Tex Division residing and conducting business within the City limits.

II.

The City is further authorized to pay its 2015 assessment to the ACSC in the amount of five cents (\$0.05) per capita.

III.

A copy of this Resolution and approved assessment fee payable to “*Atmos Cities Steering Committee*” shall be sent to:

David Barber  
Atmos Cities Steering Committee  
c/o Arlington City Attorney’s Office, Mail Stop 63-0300  
Post Office Box 90231  
Arlington, Texas 76004-3231

PRESENTED AND PASSED on this the 19<sup>th</sup> day of May, 2015, by a vote of \_\_\_\_\_  
ayes and \_\_\_\_\_ nays at a regular meeting of the City Council of the City of Saginaw,  
Texas.

ATTEST:

\_\_\_\_\_  
Gary Brinkley, Mayor

\_\_\_\_\_  
Janice England, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Bryn Meredith, City Attorney

## **STAFF REPORT ON ASSESSMENT RESOLUTION FOR ATMOS CITIES STEERING COMMITTEE**

### **Purpose of the Resolution:**

Most municipalities have retained original jurisdiction over gas utility rates and services within municipal limits. The Atmos Cities Steering Committee (“ACSC”) is composed of municipalities in the service area of Atmos Energy Corporation, Mid-Tex Division regardless of whether original jurisdiction has been retained. Atmos is a monopoly provider of natural gas. Because Atmos has no competitors, regulation of the rates that it charges its customers is the only way that cities can ensure that natural gas rates are fair. Working as a coalition to review the rates charged by Atmos allows cities to accomplish more collectively than each city could do acting alone. Cities have more than 100 years experience in regulating natural gas rates in Texas.

ACSC is the largest coalition of cities served by Atmos Mid-Tex. There are 165 ACSC member cities, which represent more than 60 percent of the total load served by Atmos-Mid Tex. ACSC protects the authority of municipalities over the monopoly natural gas provider and defends the interests of residential and small commercial customers within the cities. Although many of the activities undertaken by ACSC are connected to rate cases (and therefore expenses are reimbursed by the utility), ACSC also undertakes additional activities on behalf of municipalities for which it needs funding support from its members.

### **The ACSC Membership Assessment Supports Important Activities:**

ACSC is actively involved in rate cases, appeals, rulemakings, and legislative efforts impacting the rates charged by Atmos within the City. These activities will continue throughout the calendar year. It is possible that additional efforts will be necessary on new issues that arise during the year, and it is important that ACSC be able to fund its participation on behalf of its member cities. A per capita assessment has historically been used, and is a fair method for the members to bear the burdens associated with the benefits received from that membership.

### **Explanation of Resolution Paragraphs:**

- I. This paragraph authorizes the continuation of the City’s membership in ACSC.
- II. This paragraph authorizes payment of the City’s assessment to the ACSC in the amount of five cents (\$0.05) per capita.
- III. This paragraph requires notification that the City has adopted the Resolution.

### **Payment of Assessment**

The assessment payment check should be made out to “*Atmos Cities Steering Committee*” and mailed to David Barber, Atmos Cities Steering Committee, c/o Arlington City Attorney’s Office, Mail Stop 63-0300, Post Office Box 90231, Arlington, Texas 76004-3231.

## ACSC Cities (165 Total)

Abilene	Fairview	Oak Leaf
Addison	Farmers Branch	Ovilla
Allen	Farmersville	Palestine
Alvarado	Fate	Pantego
Angus	Flower Mound	Paris
Anna	Forest Hill	Parker
Argyle	Fort Worth	Pecan Hill
Arlington	Frisco	Petrolia
Aubrey	Frost	Plano
Bedford	Gainesville	Ponder
Bellmead	Garland	Pottsboro
Benbrook	Garrett	Prosper
Beverly Hills	Grand Prairie	Quitman
Blossom	Grapevine	Red Oak
Blue Ridge	Haltom City	Reno (Parker County)
Bowie	Harker Heights	Richardson
Boyd	Haskell	Richland
Bridgeport	Haslet	Richland Hills
Brownwood	Hewitt	River Oaks
Buffalo	Highland Park	Roanoke
Burkburnett	Highland Village	Robinson
Burleson	Honey Grove	Rockwall
Caddo Mills	Hurst	Roscoe
Canton	Hutto	Rowlett
Carrollton	Iowa Park	Royse City
Cedar Hill	Irving	Sachse
Celeste	Justin	Saginaw
Celina	Kaufman	Sansom Park
Centerville	Keene	Seagoville
Cisco	Keller	Sherman
Clarksville	Kemp	Snyder
Cleburne	Kennedale	Southlake
Clyde	Kerens	Springtown
College Station	Kerrville	Stamford
Colleyville	Killeen	Stephenville
Colorado City	Krum	Sulphur Springs
Comanche	Lakeside	Sweetwater
Commerce	Lake Worth	Temple
Coolidge	Lancaster	Terrell
Coppell	Lewisville	The Colony
Copperas Cove	Lincoln Park	Trophy Club
Corinth	Little Elm	Tyler
Corral City	Lorena	University Park
Crandall	Madisonville	Venus
Crowley	Malakoff	Vernon
Dalworthington Gardens	Mansfield	Waco
Denison	McKinney	Watauga
DeSoto	Melissa	Waxahachie
Duncanville	Mesquite	Westlake
Eastland	Midlothian	Westover Hills
Edgecliff Village	Murphy	Whitesboro
Emory	Newark	White Settlement
Ennis	Nocona	Wichita Falls
Eules	North Richland Hills	Woodway
Everman	Northlake	Wylie

City of Arlington, c/o Atmos Cities Steering Committee  
Attn: David Barber, Asst City Attorney  
101 S. Mesquite, 3rd Floor  
Arlington, TX 76010

# Invoice

Date	Invoice #
4/24/2015	15-141

Bill To
City of Saginaw

Item	Rate	Population	Amount
2015 Assessment	0.05	21,257	1,062.85
<b>Total</b>			\$1,062.85

Please make check payable to: Atmos Cities Steering Committee. Mail to ACSC, c/o David Barber, Asst City Attorney, 101 S. Mesquite, 3rd Floor, Arlington, TX 76010